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International Ethics Standards Board for Accountants
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July 7, 2023

International Ethics and Standards Board for Accountants Proposed Strategy and Work Plan, 2024-2027

To the members of the International Ethics Standards Board for Accountants:

Grant Thornton International Ltd. (GTIL) appreciates the opportunity to comment on the consultation paper, PROPOSED IESBA STRATEGY AND WORK PLAN, 2024 – 2027, approved for publication by the International Ethics Standards Board for Accountants (the IESBA or the Board).

GTIL is an umbrella organisation that does not provide services to clients. Services are delivered by GTIL member firms around the world. Representative GTIL member firms have contributed to and collaborated on this comment letter with the public interest as their overriding concern.

We support the Board’s proposals and believe they will enable IFAC in its mission to serve the public interest and allow the Board to achieve its objective of strengthening the IESBA Code (the Code) by continuing to set high-quality standards that will enhance the profession.

GTIL wants to thank the Board for their continued efforts to serve the public interest and acknowledges the challenges they face to set high-quality standards that will enhance the profession. While we support the Board’s proposed Strategy and Work Plan for 2024 -2027, especially the proposed post implementation reviews of Long Association Phase 2, Restructured Code, Non-Assurance Services, Fees, and the Definition of Public Interest Entity, GTIL has concerns regarding the volume of projects being undertaken and the anticipation that firms will be able operationalize and implement the provisions in a timely manner.

We also believe the Board should re-evaluate the projects on the Proposed Strategy and Work Plan and consider issuing non-authoritative guidance for some topics as opposed to setting standards. One area for consideration would be the Role of CFOs and Other Senior PAIBs. Many companies already have their own code of ethics for their employees, including the roles of CFOs and other senior PAIBs. Providing non-authoritative guidance on ethical decision

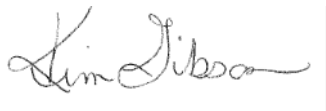
making and best practices we believe would be beneficial to the profession as opposed to setting standards.

Another area IESBA should consider adding non-authoritative guidance to further assist professional accountants is in the area that discusses Communication with Those Charged with Governance (TCWG). This is a new standard, and we don't believe adding additional requirements to the Code in this area will assist professional accountants with implementation. Issuing non-authoritative guidance in the form of Q&As or best practices on areas where professional accountants are finding difficulty in implementing the standards, will benefit the profession with convergence and compliance, which we believe is in the public interest.

Lastly, GTIL agrees with IESBA's intention to review the different types of relationships that firms, network firms, and audit team members might have with audit clients and their management and the independence issues that may arise from these relationships. However, we believe materiality and significance should be retained as criteria for exceptions to certain business relationships as well as loans and guarantee arrangements under the of the Code.

GTIL would like to thank the IESBA for this opportunity to comment. As always, we welcome an opportunity to meet with representatives of the IESBA to discuss these matters further. If you have any questions, please contact Gina Maldonado-Rodek, Director - Global Independence at gina.maldonado-rodek@gti.gt.com.

Sincerely,

A handwritten signature in cursive script that reads "Kim Gibson". The signature is written in black ink and is positioned to the left of a vertical line.

Kim Gibson

GTIL Global Head – Risk Management and Independence

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